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Among the contributors are H. Parker Willis, C. W. Allendoerfer, Harold J. Dreher, Jerome Thralls, and George E. Allen.

*Bulletin of the National Federation of Remedial Loan Associations, November, 1916. Proceedings of the eighth annual convention, Detroit, Mich., June 22-24, 1916.* (George E. Upson, 107 Paul Bldg., Utica, N. Y. Pp. xiii, 51.)

The following papers are here reprinted: "The year's progress," by A. H. Ham; "Conditions in Ohio under the law of 1915," by Arthur D. Baldwin; "Advertising," by George E. Upson; "The Morris plan," discussion; "Recording mortgages," by F. E. Stroup; "Standards of salaries," by A. L. Whitmer; and "The future of the remedial loan movement and the outlook for national federation," by Hugh Cavanaugh. A table shows the work of the remedial loan societies for 1915-1916.

*Departmental committee on prices. Interim report on meat, milk, and bacon.* Cd. 8358. (London: Wyman. 1916. 2s. 6d.)

*The federal estate tax law and regulations (inheritance tax).* (New York: Guaranty Trust Co. 1916. Pp. 35.)

*The federal farm loan act. With marginal notes and index.* Sen. Doc. No. 500, 64 Cong., 1 Sess. Prepared by the Joint Committee on Rural Credits. (St. Louis: Am. Nat. Bank of St. Louis. 1916. Pp. 49.)

*Trust companies of the United States, 1916.* (New York: U. S. Mortgage & Trust Co. 1916. Pp. 1x, 519.)

This is the fourteenth edition. The statistics of 1932 companies are given and there is a digest of state legislation relating to trust companies, with the reserves which they are required by law to keep. The volume is handsomely printed and maintains the standard set by previous issues.

*What it costs to run a bank; a report by the Bureau of Business Standards of the A. W. Shaw Company.* (Chicago: A. W. Shaw. 1916. \$2.)

## Public Finance, Taxation, and Tariff

*The Colonial Tariff Policy of France.* By ARTHUR GIRAULT. Edited by CHARLES GIDE. Carnegie Endowment for International Peace, Division of Economics and History. (Oxford: At the Clarendon Press. 1916. Pp. 305. \$2.50.)

This is one of the two initial publications issued by the Division of Economics and History of the Carnegie Endowment for International Peace; the other being Grunzel's *Economic Protectionism*. Professor J. B. Clark, the director of the division, has introduced the series with a preface which is identical for the two volumes. Professor Girault's book is said on the title-page to be

edited by Professor Charles Gide; there is, however, nothing in the way of explanation or comment from the editor. Presumably he has been responsible only for the selection of author and topic.

The book gives a narrative and critical account of the colonial policy of France. A first part, comprising about half the contents, gives a historical sketch of that policy. The second and concluding part takes up the present colonies one by one—the Small Colonies, Indo-China, Madagascar and dependencies, West Africa, Equatorial Africa, Algeria, Tunis, and Morocco—and describes and discusses their present relations with the mother country. In style and arrangement it is a typical and creditable example of French scholarly work. It is fluently and clearly written, well arranged, supplied with convenient introductions and summaries; and there is a good index. The passages that involve criticism and reasoning are sensible, but cannot be said to show a thorough grasp of general economic theory or of the principles of international trade.

The most interesting period in the long story is that of the last generation; that is, since the culmination of the protectionist reaction in France in the tariff act of 1892. Then was adopted for the main colonies the general policy of "tariff assimilation." By this term is meant that the main colonies (by no means all) are treated as an integral part of French tariff territory. French goods are admitted free into the colonies, and colonial goods are admitted (in the main) free into France. Foreign goods pay the same duties on importation either into the colonies or into France; hence colonial and French producers have alike the protection of the French tariff. The system obviously cuts two ways, and even from the protectionist point of view is by no means without disadvantage to the mother country. The French producers find themselves exposed to the free competition of colonial producers. More important, the colonial producers of such commodities as sugar, coffee, and cocoa gain in France the benefit of the French duties on foreign competing products. A curious illustration is found in the duties on such colonial products as coffee and cocoa. Under the tariff legislation of 1892 these were "half assimilated"; that is, they were admitted at one half the duties levied upon coffee and cocoa coming from foreign countries. The colonies demanded the full application of the principle of assimilation—that their coffee and cocoa should be admitted free; and this was finally granted in 1912. The obvious effect is that they get a pro-

tection equal to the duties, designed to be purely fiscal, upon foreign coffee and cocoa. To all intents they get a bounty equal to the amount of this duty; precisely as Hawaiian sugar had a quasi-bounty in the United States under the reciprocity arrangements which preceded our formal acquisition of Hawaii. Underneath the whole discussion of these duties one sees the influence of the persistent notion, fostered by the usual protectionist mode of discussion, that a duty on imports is a tax not on the country in which the imports are consumed but one on the country whence the imports come.

The tariff reformers in France, among whom the author is to be ranked, are now championing the principle of "tariff personality." This means that each of the important colonies (such as Madagascar and Indo-China) is to be treated separately, and that tariff arrangements are to be made to suit the special needs of each colony. Evidently an important aim is that foreign products shall be admitted into these colonies not at the full rates of the French tariff (as they are under the policy of assimilation) but at lower rates. Professor Girault supports this policy by considerations of all kinds, among them some that are designed to appeal to the protectionists themselves. He maintains, for example, that the unflinching application of the French tariff régime lays burdens upon some of the colonies, prevents them from developing, and hence prevents them from being good customers for the French themselves—the old story of the supreme importance of sales, customers, markets!

The reader interested in the details of colonial policy will find in Professor Girault's book as clear a statement of the intricacies of French colonial methods as is consistent with completeness and fullness. At best the description cannot be made entirely simple. The different colonies are subjected to very different treatment, even beyond the general division into assimilated and non-assimilated colonies. These differences, moreover, are brought about not merely by legislation, but by the administrative decrees which French legislative practice so often authorizes. The discretion commonly given to administrative authorities in France has great advantages, permitting an elasticity and flexibility which the rigor of our cumbrous American laws makes impossible. But this same circumstance brings no small difficulties for the student, who can ascertain the actual working of a particular measure only by following a series of administrative decrees not recorded in the sources

usually accessible to him. This volume enables one to follow the situation in all essentials; and altogether it is to be commended as a well-balanced and thorough piece of scholarly work.

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#### NEW BOOKS

AGHNIDES, N. P. *Mohammedan theories of finance. With an introduction to Mohammedan law and a bibliography.* Columbia University studies in history, economics, and public law, vol. LXX, no. 166. (New York: Longmans. 1916. Pp. 540. \$4.)

The author calls his dissertation "an attempt to give a comprehensive exposition of the Mohammedan financial theories in their entirety with special emphasis, when possible, on the reasons underlying them." The reservation is quite in point, and his desire to be superlatively comprehensive has tempted him to stray from his declared object into bypaths where at times he narrowly escapes losing himself: *Qui trop embrasse, mal étreint*.

The germ of the Muhammadan system of finance is contained in Surah VIII, 42, of the Qur'an, rightly entitled "The Spoils." Its development could not help being influenced by the characteristic notions of Islam, which recognizes the individual rather than the community and even now has no clear conception of the idea we express by the word state. Based on the division of the spoils of war in its primary stage, it subjected the conquered unbeliever to a tribute, intended to defray the expenses of the general administration while the zakat or tax imposed upon the well-to-do believer was exacted, as the name implies, by way of purification—namely, to sanctify his possession of the remainder—and constituted a separate fund, called God's property, to be kept apart from the common property of the Moslem because devoted to charitable purposes. With a more arbitrary since more opportunist interpretation of law and custom in the matter of finance, the observance of this distinction became less strict and the financial system assumed gradually the forms expatiated upon by the author principally from the standpoint of the Hanefites.

Dividing his work into two parts, the first of which serves as an introduction to the second or main one, a treatise on the financial theories proper, the author overwhelms us with a mass of detail, in itself very instructive but not always relevant or of proportionate explanatory value, and sometimes hard to disentangle. He presupposes a good deal of discrimination in his readers, who need much patient labor to arrive at a correct classification of the minutiae adduced to illuminate the evolution of modes of procedure illustrative of the truth, nowhere more discernable than in Muhammadan theories of finance, though this dissertation leaves it only to be inferred, that in the beginning men create institutions in the end to be moulded and governed by them.